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Twells, John

Bank Charter Act

London

[1858?]


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Bank Charter Act.

S P E E C H

OF THE

REV. JOHN TWELLS, M.A.,

AT A MEETING

HELD ON SATURDAY, NOVEMBER 28, 1857

AT EAST RETFORD.

LONDON :

W. SKEFFINGTON, 163, PICCADILLY; D. F. OAKEY,
10, PATERNOSTER ROW.
AND A. METCALFE, EAST RETFORD.

BANK CHARTER ACT.

A public meeting of those opposed to the monetary system established by Sir Robert Peel's Acts of 1819 and 1844 was held at the Town Hall, East Retford, on Saturday, November 28th, 1857.

On the motion of Dr. TIMM seconded by GEORGE CHAPMAN, Esq., Mr. Councillor WILKINSON was called to the chair.

The CHAIRMAN, after ably introducing the subject of the meeting, called on the Rev. JOHN TWELLS to move the first resolution.

The Rev. JOHN TWELLS said: It is now seven years since I had the pleasure of addressing you in this hall on the subject of the Currency. I cannot therefore be justly accused of obtruding myself unnecessarily on your attention; indeed I may rather claim the compliment paid by the French gentleman to the English traveller, "This gentleman apparently has a great talent for silence." Since that time events of great importance have taken place, which have excited the interest and called out the energies of the English people to an unwonted extent, and with regard to the monetary question an event has occurred more remarkable perhaps than any which has happened for many centuries—I mean the unexpected and extraordinary discoveries of gold in California and Australia. The gold yield of the Oural mountains, in Russia, which had in a short period increased from £2,000,000 to £4,000,000, had excited much speculation as to the effect to be produced by this increase of gold. In 1848 it was announced that gold had been found in California, and in 1850 the amount produced was £5,000,000; in 1851, £8,000,000. Gold was discovered in Australia also in 1851, and in 1852 no less than £9,735,903 was exported; in 1853, £10,445,700; and the production has continued to an undiminished extent up to the

present time. It may be concluded, therefore, that the enormous amount of something like £150,000,000 of gold has been thrown into the markets of the world by the discoveries in California and Australia. One of the first effects which we can ascertain (and I must mention that we are greatly assisted in these inquiries by the information compiled from official sources by the *Economist*), is the displacement of a large portion of the silver coinage of France by gold. In the four years before 1850, the silver coined in the mint of Paris was at the rate of £3,873,000 sterling annually, while during the same time the amount of gold coined was only at the rate of £767,000 annually; that is, the proportion of gold coined to that of silver was about one-fifth; but the change after 1850 was most remarkable. In the six years which follow, the silver coined was only at the rate of £1,566,000 annually. During the same period the amount of gold coined increased to the unprecedented sum of £10,820,000 annually. In 1854 and 1855 the change was still more extraordinary, the gold coined in Paris being of the value of £36,500,000, while that of silver was only £985,000, that is, rather more than *thirty-six* gold to one of silver. The total amount of gold coined in France during the six years from 1850 to 1855 was £64,920,000 sterling. During the period from 1851 to 1855 it may be observed that gold was coined at the London mint to the amount of £38,254,000. Now under the circumstances of this extraordinary production of gold, an appeal to parliament to alter or even to consider the reformation of the monetary system appeared hopeless; we were told on every side that the gold discoveries would solve the difficulties of the currency question, and ensure the prosperity of the nation. The average rate of interest for money was to be, according to the *Times*, $3\frac{1}{2}$ per cent. The only difficulty was what to do with this enormous amount of gold. Was the Bank to be relieved from buying of it? Should £5 notes be withdrawn from circulation? Should the quantity in the sovereign be doubled? How were we to dispose of our great, our increasing, our superabundant metallic wealth? In April 1852 the *Times*, after mentioning that the rate of discount for the best paper had for a considerable time ranged between $1\frac{1}{2}$ and $1\frac{3}{4}$ per cent., said "The absence of a courageous spirit of enterprise (this is what

they now call "over-trading and reckless speculation") is the penalty that has weighed down the country since 1857, and the old feeling of healthiness (which the *Times* now calls the spirit of the "dashing speculator") will not be restored except by the difficulty of obtaining any return for capital in the routine channels (which it now calls "the slow profits of honest industry"), coupled with apprehensions of a possible further lowering in the interest of the public debt." The amount of gold in the Bank of England was then about £20,000,000; the currency consequently expanded, the rate of interest, as was observed, was under 2 per cent., and this short-sighted writer thus added his mite of encouragement to stimulate the over-speculation which was the necessary consequence of such a state of things. (Cheers). In July 1852 the amount of gold in the bank rose to not less than £22,042,683; the stock of bullion being in excess of the amount of bank notes in the hands of the public by £700,128. In November 17½ tons of gold arrived in London within a week. In July 1853, the first minister of the crown, Lord Aberdeen, in his speech in the city, referred to "the bright prospects which he saw at that time throughout the whole of the country," and spoke of "its prosperity, happiness, and degree of progress as altogether unparalleled." He (Lord Aberdeen) attributed it to "the enlightened system of financial and commercial policy of the late Sir Robert Peel." Lord John Russell spoke of free-trade "as having conducted most materially to the wealth, prosperity, and comfort of the great body of the people." These statements were loudly and heartily cheered by the good citizens of London. In the meanwhile, as my agricultural friends around me will remember—and I am most happy to think that they have it to remember—the price of agricultural produce had greatly improved. Wheat in October, 1853, sold at Uxbridge at 100s per quarter; this was of course of the first quality. In 1854 and 1855 it commanded from 80s to 90s per quarter. I find that I sold wheat myself in 1855 at 92s per quarter. Now during this period of prosperity I considered it my duty to give to the whole subject a careful consideration. Some of my friends, less insane on the currency question than myself, began to believe that though Peel's system was a bad one, the wonderful

effects of the gold discoveries would interpose an effectual remedy. It is easy to be wise after the event. I therefore am glad that I wrote down during this period of prosperity the deliberate convictions of my own mind, because I find that I then expressed in the most decided possible language, the conclusion at which I had arrived, that even the gold discoveries could not remedy the evils of our unsound, unphilosophical, and most injurious monetary system. (Cheers). I find that I then said that "not even gold could prove a substitute for a good monetary system." "That should our gold importations fail our vaunted prosperity would vanish like a dream," and, "that gold was not the Hercules to extricate us from our difficulties." (Cheers). I mention these, and I might refer to scores of similar observations, not in a spirit of self-laudation, but to show that the principles which, in common with all sound currency reformers, I held of the unstable character of Peel's fair weather money system were firmly retained at the time when that system was supposed to be most pre-eminently successful. (Hear, Hear.) A change was now approaching. As early as 1853 the drain of silver began to manifest itself. It is not necessary for my argument that I should be able fully to account for that drain. One reason undoubtedly is that the great discoveries of gold had unsettled the relation which, on the continent of Europe, previously existed between the value of gold and of silver. In France the ancient relation of gold to silver, namely that of one to fifteen and a fraction, is retained, although in our own country and in America the relative weight of the metals in the coins has been altered. Silver became, therefore, a profitable article of commerce in relation to gold. It paid the merchant to purchase silver five-franc pieces in France with gold, and to export the silver. We know, by the figures to which I have previously referred, that this process has been going on in France, and that a large portion of the £100,000,000, which was estimated to constitute the silver coinage of that country, has been displaced by gold coin. Large importations of silver have been, for several years past, taking place to India and China. Now, to supply the place of the silver coinage which has been withdrawn from circulation and to satisfy the large demands for silver in the East, it has

become necessary to withdraw gold from this country. We find, therefore, that the continued arrivals of gold from Australia have, for the last two or three years, been barely sufficient to enable the Bank to retain an amount of bullion adequate to justify it in supplying the country with the necessary amount of paper circulation. At the commencement of this year it therefore became necessary to attempt to check the drain of bullion by a rise in the rate of discount. On the 3rd of April the rate was to 6½ per cent, on the 18th June it was reduced to 6 per cent, and on the 1st of July to 5½ per cent. On the 8th of October it was again raised to 6 per cent, and the 12th of October to 7 per cent. and the effects of the American panic (a panic principally caused by the defective monetary system, the mistaken policy of the bullionists prevailing there as in England) caused the rate to be raised on the 19th of October to 8 per cent, on the 5th of November to 9 per cent, on the 9th November to 10 per cent, at which, the highest legal rate probably ever exacted by the creditor class from their debtors in this country, it now remains. (Hear.) On Thursday, November the 13th, the Bank Charter Act was suspended by a letter addressed by the Prime Minister and the Chancellor of the Exchequer to the Bank. We meet to-day, therefore, under this peculiar state of things, that the Bank Charter Act is suspended and the convertibility of the note for the time abrogated. Parliament has been unexpectedly called together at a very short notice to deliberate on the steps necessary to be taken in consequence of this infringement of the law of the land. Now it was said in 1844 by Mr Jones Loyd (now Lord Overstone) who is, you know, one of the principle promoters and supporters of Peel's monetary system, that the Bank Charter Act of 1844 "has been justly described by its author as the complement of the Bill of 1819, as the further step which was necessary to render that measure complete and to render to the public every possible security for for the maintenance of specie payments. This is the true object of the measure; and by its efficacy or otherwise in this respect, the success or failure of the measure ought to be tested." (Hear, hear.) How then stands the question with regard to the Bank Charter Act? It was suspended by a letter from Ministers in 1847. On an in-

quiry into the circumstances of that suspension, the Act was decidedly condemned by a committee of the House of Lords, and it only escaped a similar fate in the House of Commons' committee by the accidental, though unavoidable, absence of two members of that committee. Of the seventeen witnesses examined before the committee of the House of Commons in 1848, thirteen condemned the Act and four supported it. Among its four supporters were three directors of the Bank, and Mr. Samuel Jones Loyd. Among those who condemned it were the late Mr. Samuel Gurney, the first money-dealer in Europe, Mr. George Carr, Glyn, the eminent London banker, Mr. Bates of the house of Messrs. Baring, Brothers, and Co., and Mr Birkbeck the recognized representative of the country bankers of England. At this time Lord Ashburton (formerly Mr. Alexander Baring), a far higher financial authority than Lord Overstone can presume to be considered, pronounced it as his judgement that the Bank Charter Act "was a great experiment which had signally failed." (Hear, hear). But it is condemned by more important evidence than any yet cited. It is condemned by the fact, it is condemned by the very test which Lord Overstone propounded, namely its efficacy in giving to the public "every possible security for the effectual maintenance of cash payments." What was the state of the Bank of England on the 23rd of October, 1847, as to the effectual maintenance of specie payments? It was this—

LIABILITIES.	
Notes issued	£21,805,445
Deduct, held by the Bank itself	1,547,270
	£20,318,175
Public Deposits	4,766,394
Other Deposits	8,580,509
Seven-days and other Bills	947,013
	£34,612,091
ASSETS.	
In the Issue Department:—	
Gold Coin and Bullion	£6,745,354
Silver Bullion	1,120,091
	£7,865,445
In the Banking Department:—	
Gold and Silver Coin	447,240
	£8,312,691
Balance which the Bank could not pay in Gold } or Silver	£26,299,400

On the 11th November, 1857, the day before the suspension, the state of the Bank of England was this:—

LIABILITIES.	
Notes issued	£21,141,065
Deduct, held by the Bank itself ...	997,710
	<hr/> £20,183,355
Public Deposits	5,314,639
Other Deposits	12,935,344
Seven-days and other Bills	853,075
	<hr/> £39,286,433
ASSETS.	
In the Issue Department:—	
Gold Coin and Bullion	£6,066,005
In the Banking Department:—	
Gold and Silver Coin	504,443
	<hr/> £7,170,508

Balance which the Bank could not pay in Gold } £32,115,925
or Silver... ..

You see then, not only from the arguments which have been used, but from facts and figures, that this fair-weather Bank Charter Act has, on two separate occasions, when its "true object—the effectual maintenance of specie payments"—has been tested, most completely and most disgracefully failed. (Loud cheers.) You cannot possibly convert the enormous indebtedness of this great nation into gold. The convertibility of the note at a fixed rate has been demonstrated to be a mere political fiction. But there is another and a novel aspect under which this question has recently been presented to the public. The *Times*, the organ of the bullionist party, charges the whole of the people of England with dishonesty. "Any man" it says "who comes under an engagement to pay a certain sum on a certain given day pledges himself to deliver so many sovereigns." "No doubt had not the Government letter appeared on Thursday money would have been worth 20 or 30 per cent. owing to the general panic which would have created." When we are subsequently told, "the hard calculator sees the time at hand when the gold he has prudently reserved will be worth 15 per cent." the Government steps in to frustrate the results of his "patient enquiry and reflection." This is the true way of putting the case. Lord Overstone said in 1844, "that the object of the bill was the

effectual maintenance of specie payments." Sir Robert Peel declared that "one of its principal objects was to prevent the repetition of such panics as had occurred in 1825, 1837, and 1839, and preserve us from commercial depression and ruin." But in 1857 the long worn mask is at length thrown off, and the usurer stands revealed in the face of day. (Loud cheers.) It is not the maintenance of specie payments alone, but such a maintenance of specie payments as may command an usurious rate of interest which they require. (Hear, hear.) And not only so but the "hard calculator" we are told, expected that he should be able also "to buy sugar, silk, and all sorts of articles at a vast reduction." But his expectations have been disappointed, "thanks to Government." The producer, he says, ought as a matter, of course, to be sacrificed to the consumer. Put the case of the farmer. A farmer in prosperous times commonly makes the land his bank. Whatever capital he can by persevering industry and the results of "patient enquiry and reflection" accumulate, he invests in the improvement of his land, in better management, better cultivation of the soil and the improvement of his stock; he naturally expects this will secure to him the quiet possession of the fruits of his industry. But how mistaken is his calculation. There has been another man at work, this is the "hard calculator." He has improved his understanding of Peel's Bill, and cultivated an acquaintance with the operation of the money market. A monetary crisis comes. Gold goes out of the country, the bank raises its discounts, and reduces its circulation, and the prices of all things are depreciated. And thus the farmer is deprived for years of the fair remuneration for all his industry, and of the interest of the capital which he has invested in his land. The same thing applies to the manufacturer, for he has been building new mills, enlarging his works, extending his trade, and employing more hands. Peel's Bill puts a stop to all this. And when the farmer and manufacturer are suffering, and all the country with them, and Government, at the eleventh hour, steps in to save the country from utter ruin, the usurer complains that prices are not suffered to fall still lower, that he (the consumer) is defrauded of wheat at 30s. a quarter, and all other things in proportion, and that he cannot get 20 or 30 per cent. according to his calculation. (Applause.) Is there among these

writers in the *Times* one word of heart-felt regret, any relenting for the anguish and privations, the broken fortunes and the broken hearts which this Bank Charter Act is at this moment causing? Do they say anything of the distress and poverty of the people, thrown by thousands and tens of thousands, out of work without any fault of their own? Have they shown the least feeling of commiseration for the working-men, by whose humble firesides, sufferings, poverty, destitution and starvation are taking up their winter's abode. No! "Is it so nominated in the bond?" Is there one feeling of pity for the victims of this iniquitous system? No, not one. The whole tenor of their writing is, "Perish the people of Enrtland! but let the 'hard calculator' grasp his 15 per cent." (Loud and continued cheering.) How very far different is the feeling of an excellent friend of mine—Mr John Taylor, of London—whose calculations have always been for others and not for himself, and who has for many long years been the disinterested advocate of this unpopular but great question. In a paper which I received from him this morning he places the question between the producer and consumer in a very lucid point of view. He says, "Cheapness has been cried up as a blessing to the labourer; yet it is difficult to conceive how any one could think that the labourer would be benefitted by low prices. A moments reflection would have served to undeceive him. A poor man produces (say) five times as much as he consumes; a rich man consumes (say) five times as much as he produces. Low prices, therefore, are in favor of the rich consumer as five to one, and high prices are in favor of the poor producer as five to one. These numbers are used by way of illustration; it is immaterial what the real proportions are, every one who produces more than he consumes, is benefitted by high prices more than by low; and every one who lives on his property, every one who consumes more than he produces is benefitted by low prices more than high. Yet there are many persons professing to be friends of the labourer, who gravely try to persuade him that low prices are for his especial advantage. Having forced down prices by the currency acts of 1819 and 1844, they wished the people to believe that low prices are preferable to high prices." This puts the question between the producer

and consumer in a very clear point of view. Now with regard to over speculation. When there was an extraordinary influx of gold to the bank the English people were told by the bullionist organ that they were afraid to launch out into a "courageous spirit of enterprise," and when they do so launch out they are accused of over speculation. The Acts of which we complain, compel the Bank of England to purchase gold, however large the amount of it in their coffers may be. When they had £20,000,000 of gold they were obliged to give their notes in exchange for any amount of gold that might be brought to them. The effect of this is that the circulating medium being largely increased, money made plentiful and the rate of interest reduced to one-and-a-half or two per cent. the greatest possible temptation is held out to people to engage in various kinds of speculation, because the "routine system of business" then produced no adequate remuneration. At this time the *Times* denounces this "courageous system of enterprise." Let it not be supposed, however, that the virtuous indignation which the organ of the bullionist party so vehemently hurls against ill-conducted banks and insolvent merchants, arises solely from the wish to condemn such misconduct. It is because the drain of bullion to Scotland was the straw which broke the back of bullionism, that our friends of the *Times* go into such a rage. And how many have failed at this period against whom the slightest imputation, even of want of prudence, cannot be justly brought, and who have fallen victims to this pernicious system of currency. Do you suppose that such a firm as Naylor, Vickers, & Co., of Sheffield, who even now in the midst of depreciation and ruin are able to produce assets of more than a quarter of a million of money beyond their liabilities, would have failed under a sound monetary system? Take again the case of Dennistoun and Co., who failed the other day. We see that they are already making arrangements to pay twenty shillings in the pound: (Hear, hear.) These are remarkable instances, and the *Times* is cunning enough to make these exceptions to their rule of condemnation of the unfortunate victims of the monetary system by which many others of equal honesty, but less extensive resources, have been ruined. (Hear.) I will now go to the remedy

which we have to propose, which is embodied in the petition which I shall have the honour to submit to your consideration. (Mr. Twells here read the Petition which we give below.) The currency question as it now stands may be compressed into very narrow limits. The great point of difference between the currency reformers and the bullionists is, Shall the bank note be converted into bullion at a fixed rate, or shall it be converted into bullion at the market price of the day? Peel's bill has three phases, when gold flows in in great abundance from any cause whatever, the bank is obliged to increase its circulation and speculation is encouraged and fostered. This is the first phase. At the time when bullion flows into the country, as it has latterly done from Australia, but at the same time there is a considerable drain of bullion, an equable currency is maintained. The acts of 1819 and 1844 then became a dead letter, and the country enjoys a sound and healthy trade. This is the second phase. But when from any cause bullion is exported more largely than it is imported, the currency is contracted, prices are lowered, and you are subjected to a state of depression, suffering, and ruin. This is the third phase. Now I believe that this state of things would be entirely remedied by what is here proposed, viz.:—the establishment of a legal tender paper-money. And experience has shown that about £20,000,000 of this would be sufficient as a basis for our domestic circulation. This paper money would not be subject to be hoarded or withdrawn from the country. It would enable the nation to go on with its business, whether gold left the country or not. It would preserve a fair and just rate of interest and we should be free from these often recurring periods of ruin and panic. What you want is security for your trade, and that the commercial and agricultural interests of the country may rest on a firm basis. And this can be secured by an adequate and unfluctuating circulating medium, which under any circumstances of export of bullion you may be able to retain at home for domestic purposes. This state of things is attained by the proposed remedy. But I know a great deal will be said about giving up the principle of convertibility. It has been proved to demonstration on the occasions of 1847 and 1857, that the convertibility of the bank note under the

present system is a mere financial fiction. It is a system by which you can always convert the bank note into gold, except at the time when every body wants to do so. But the system which we propose in our petition, is one by which we can *always* convert the bank note into gold and silver at their market price, and into every thing else. If I want gold or silver to send abroad or to melt down to make articles of jewellery, I could under the proposed system go to the bank and convert my bank notes into bullion at the market price of the day. I have after all no wish to dogmatise on this difficult question, but I believe that this is the only convertibility which, under the existing circumstances of the nation, is either attainable or desirable. (Hear, hear). Sir, it was said by the first Lord Liverpool that a purely metallic currency had this inherent defect, that being composed of an article which was also a commodity, it was liable to fluctuations in value. California and Australia show how possible a great fluctuation in the value of the material of a metallic currency is. Under a domestic circulating medium of paper as much would be done as possible to remedy this inherent defect. The currency of paper which we propose would, it is believed, do more than a metallic currency to retain a fair equable purchasing power. Sir, I am quite aware that the question of the monetary system is a most momentous one, and that nothing should be done without due deliberation. In addressing you on this occasion, I have endeavoured to place the object which we have in view, namely, currency reform, in the clearest light that I could (Cheers) Let, I would say, that system of currency be established which shall promote the greatest happiness to the greatest number of my fellow countrymen. But there is a powerful party against us. It will require very energetic exertion on your part, even though this system now stands self-condemned before the country, to effect the least possible reformation. Yet I cannot but think that common justice will at last triumph, and that this rich man's bill by which the rich are made richer and the poor made poorer, will not be suffered much longer to encumber our statute book. (Applause.) Had I not believed that truth, and most important truth—justice, and most impartial justice—were on our side, I should never had entered on the contest, or having entered

on it, I should long since have retired from the unequal strife. But I neither hesitate nor doubt. I never did doubt on the subject since the time when ten years ago by my own fireside, with few books and no friends to consult, I impartially reviewed the whole monetary question, which, even as a boy, had engaged my attention, and came to the conclusion that the most important interests of the country—moral and religious, as well as social—were involved in it. (Cheers.) I have faith in my principles. And I have greater faith in the immutable laws of Divine Providence, by which, however long it may be delayed by ignorance and selfishness, right eventually becomes might. (Loud cheers.) And therefore whether I live to see the day or not, when this most unjust and unrighteous system shall be abolished, I shall have the approval of my own conscience—that without regard to personal interest, and without fear of personal consequences, I have humbly endeavoured to do my duty, as concerns this great question, as a man, a citizen, and a minister of religion. (Loud and continued applause.) The rev. gentleman then made the following motion: “That the Bank Charter Act at the time when its main principle, viz., the effectual maintenance of cash payments, has been tested, having for the second time signally failed, this meeting is of opinion that a complete revision of the monetary system, established by Peel’s Acts of 1819 and 1844 is imperatively required.” This motion was seconded by Mr. ENOCH HODGKINSON, and carried unanimously.

It was then proposed by Mr. F. WHITE, and seconded by Mr. ROBERT BAKER, that the petition which had been read, should be adopted and signed. This was put to the meeting, and carried unanimously.

A vote of thanks was then passed to the Chairman and to the Rev. John Twells, who was listened to throughout the whole of his lengthened speech with the greatest attention and interest.

COPY OF THE PETITION.

To the Honourable the Commons of the United Kingdom of Great Britain and Ireland in Parliament assembled.

“The humble petition of the undersigned, residing at and in the neighbourhood of East Retford, in the County of Nottingham;—
“Humbly sheweth—

“That in this country for upwards of 40 years, the industrial energies of the people have been largely developed, capital has been extensively accumulated, and science has contributed its powers to subjugate the natural world to man’s dominion.

“That the natural tendency of these causes is to promote the permanent prosperity of a country, and the comfort, contentment, and social and physical improvement of the people.

“That nevertheless the condition of the labouring classes during this period has frequently been one of the most severe distress, and that the agricultural, commercial, and manufacturing interests have at intervals of a few years been subject to most serious depression.

“That your petitioners attribute these evils principally to the violent contractions and expansions of the currency caused by the Acts of 1819, and 1844, generally known as Peel’s Bills, and that they are convinced that this country can never enjoy more than a few years of prosperity at a time while these Acts remain in force.

“That with particular reference to the present state of the country, they observe that through all the changes from adversity to prosperity, the latter has always been arrested after the country has enjoyed it for a few years, by the efflux of bullion, by whatever cause the efflux was brought about, and the consequent contraction of the currency, and the lowering of the price of all commodities; and that on the return of gold the Bank has again issued its notes and restored prosperity till gold went out again.

“That if anything could, under the operation of the present monetary system, secure to this nation the retention of gold, and the consequent enjoyment of an adequate and equable circulating medium, the enormous and unprecedented discoveries of gold in California and Australia would have done so. But that so far from such having been the case, the monetary crisis under which the country is now suffering is believed to be more intense and disastrous than even that in 1847.

“That the Bank Charter Act having been twice suspended in its operation, at the very time when the principle upon which it was founded, namely, the effectual maintenance of cash payments, was put to the test, the Act stands self-condemned and cannot possibly be retained.

"The main principle of the act having been proved injurious to the nation, and the carrying out of this principle impracticable, it is respectfully submitted to your Honourable House, that legal tender notes of £1 and upwards should be issued under the authority of Her Majesty the Queen, and the Houses of Parliament, receivable for all taxes, and convertible at the bank for gold at the market price of the day; that the limit of the issue of these notes should be determined by the legislature, and that at the present time such limit should not exceed £20,000,000.

"That by such means your petitioners respectfully submit a safe and steady basis would be provided for the domestic circulation of the country, and the actual and positive convertibility of the bank note into bullion, would at all times, and under all circumstances, be effectually maintained.

"And your petitioners will ever pray, &c."

The Petition was presented to the House of Commons, on Friday, December 11th, 1857, by MR. RICHARD SPOONER, Member for North Warwickshire.

**END OF
TITLE**